



State Senator

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Breaking News:

School Employees' Health Insurance

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School Employees Health Benefit Act

The Senate passed a package of bills known as the "School Employee Benefit Act" which looks to lower health care costs for school employees and increase competitiveness among health insurance providers.

The plan will benefit school employees by allowing two or more schools districts to create self-insured health insurance pools and allow statewide pooling for catastrophic claims. It is the district's choice whether or not they want to participate in a health care pool. This legislation would not mandate pooling. The fund would be supported by premiums paid by its members. A larger pool of employees would mostly likely result in lower health care costs for school employees without reducing benefits.

The school districts' pools could be from any part of the state, but would more than likely be neighboring districts with similar healthcare providers. Each pool would have its own governing structure to best suits its needs.

In this legislation employers would have access to provider-level claims and cost data. Quality measures on hospital and physician's performance would also be accessible. From the data, schools would decide which doctors and hospitals are right for them.

Nothing contained in the legislation will force school districts or their employees to separate from their current insurance provider. Furthermore, this legislation would not affect collective bargaining rights, it is completely voluntary.

The package now moves to the House for consideration.

Health Insurance and Retirement costs

In 2003-2004 schools paid 13 percent of payroll for health insurance and retirement.

In 2005-2006 that figure grew to 16.34 percent.

It is predicted in 2006-2007 the rate will be at 19 percent.



